SENATE BILL REPORT SB 5895

As Reported by Senate Committee On: Ways & Means, March 22, 2017

Title: An act relating to making expenditures from the budget stabilization account for catastrophic wildfire events in fiscal year 2017.

Brief Description: Making expenditures from the budget stabilization account for catastrophic wildfire events in fiscal year 2017.

Sponsors: Senator Braun.

Brief History:

Committee Activity: Ways & Means: 3/20/17, 3/22/17 [DP, DNP].

Brief Summary of Bill

• Appropriates funds from the Budget Stabilization Account to the Department of Natural Resources and the Washington State Patrol for emergency fire suppression costs in fiscal year 2017.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Braun, Chair; Brown, Vice Chair; Rossi, Vice Chair; Honeyford, Vice Chair, Capital Budget; Rolfes, Assistant Ranking Minority Member, Operating Budget; Frockt, Assistant Ranking Minority Member, Capital Budget; Bailey, Becker, Billig, Carlyle, Conway, Darneille, Fain, Keiser, Miloscia, Padden, Pedersen, Rivers, Schoesler, Warnick and Zeiger.

Minority Report: Do not pass.

Signed by Senator Hasegawa.

Staff: Julie Murray (786-7711)

Background: In 2007, the voters ratified a state constitutional amendment that established the Budget Stabilization Account (BSA). Each year, the State Treasurer must deposit 1 percent of general state revenues (GSR) into the BSA. The term GSR is defined in the

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constitution and is generally synonymous with the statutory state General Fund (GFS). In general, appropriations from the BSA require a three-fifths majority in each house of the Legislature, but in the case of a catastrophic event or low employment growth, the Legislature may appropriate monies from the BSA with a constitutional majority vote of each house.

Under legislation that was enacted in 2012 and is often referred to as the Four-Year Budget Outlook, the state operating budget must be balanced over four years. This means that the legislative budget for the current biennium must leave a positive ending fund balance in the GFS and related funds, and the projected maintenance level costs of that budget in the ensuing biennium must not exceed the estimated available fiscal resources for the ensuing biennium. However, the requirement to balance in the ensuing biennium does not apply in a fiscal biennium in which monies are appropriated from the BSA.

On August 23, 2016, the Governor issued Proclamation 16-06, declaring a state of emergency in Adams, Asotin, Benton, Chelan, Columbia, Douglas, Ferry, Franklin, Garfield, Grant, Kittitas, Klickitat, Lincoln, Okanogan, Pend Oreille, Spokane, Stevens, Yakima, Walla Walla, and Whitman counties from wildfires. The Department of Natural Resources (DNR) incurred costs related to wildfire suppression activities from this emergency. Likewise, the Washington State Patrol (WSP) has incurred costs reimbursing local jurisdictions for their fire suppression activities under the fire service resource mobilization program.

Summary of Bill: The sum of \$23,858,000 is appropriated from the BSA for DNR fire suppression costs—\$19,123,000—and WSP for fire service resource mobilization costs—\$4,735,000—in fiscal year 2017 for calendar year 2016 wildfires. The appropriations do not suspend the requirements of the Four-Year Budget Outlook.

Appropriation: \$23,858,000 is appropriated from the Budget Stabilization Account.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony: None.

Persons Testifying: No one.

Persons Signed In To Testify But Not Testifying: No one.

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